

SECTION 2406. 77.54 (45) of the statutes is amended to read:

77.54 (45) The ~~gross receipts~~ sales price from the sale of and the use or other consumption of a onetime license or similar right to purchase admission to professional football games at a football stadium, as defined in s. 229.821 (6), that is granted by a municipality; a local professional football stadium district; or a professional football team or related party, as defined in s. 229.821 (12); if the person who buys the license or right is entitled, at the time the license or right is transferred to the person, to purchase admission to at least 3 professional football games in this state during one football season.

SECTION 2407. 77.54 (46) of the statutes is amended to read:

77.54 (46) The ~~gross receipts~~ sales price from the sale of and the storage, use, or other consumption of the U.S. flag or the state flag. This subsection does not apply to a representation of the U.S. flag or the state flag.

SECTION 2408. 77.54 (46m) of the statutes is amended to read:

77.54 (46m) The ~~gross receipts~~ sales price from the sale of and the storage, use, or other consumption of telecommunications services, if the telecommunications services are obtained by using the rights to purchase telecommunications services, including purchasing reauthorization numbers, by paying in advance and by using an access number and authorization code; and if the tax imposed under s. 77.52 or 77.53 was previously paid on the sale or purchase of such rights.

SECTION 2409. 77.54 (47) (intro.) of the statutes is amended to read:

77.54 (47) (intro.) The ~~gross receipts~~ sales price from the sale of and the storage, use, or other consumption of all of the following:

SECTION 2410. 77.54 (47) (b) 1. and 2. of the statutes are amended to read:

1 77.54 (47) (b) 1. The shooting facility is required to pay the tax imposed under
2 s. 77.52 on its ~~gross receipts~~ the sales price from charges for shooting at the facility.

3 2. The shooting facility is a nonprofit organization that charges for shooting at
4 the facility, but is not required to pay the tax imposed under s. 77.52 on its ~~gross~~
5 ~~receipts~~ the sales price from such charges because the charges are for occasional
6 sales, as provided under sub. (7m).

7 **SECTION 2411.** 77.54 (48) (a) of the statutes is renumbered 77.585 (9) (a) and
8 amended to read:

9 77.585 (9) (a) Subject to 2005 Wisconsin Act 479, section 17, ~~the gross receipts~~
10 ~~from the sale of and the storage, use, or other consumption~~ a purchaser may claim
11 as a deduction that portion of its purchase price of Internet equipment used in the
12 broadband market for which the tax was imposed under this subchapter, if the
13 purchaser certifies to the department of commerce, in the manner prescribed by the
14 department of commerce, that the purchaser will, within 24 months after July 1,
15 2007, make an investment that is reasonably calculated to increase broadband
16 Internet availability in this state. The purchaser shall claim the deduction in the
17 same reporting period as the purchaser paid the tax imposed under this subchapter.

18 **SECTION 2412.** 77.54 (48) (b) of the statutes is renumbered 77.585 (9) (b).

19 **SECTION 2413.** 77.54 (49) of the statutes is amended to read:

20 77.54 (49) The ~~gross receipts~~ sales price from the sale of and the storage, use,
21 or other consumption of taxable services and tangible personal property or item or
22 property under s. 77.52 (1) (b) or (c) that is physically transferred to the purchaser
23 as a necessary part of services that are subject to the taxes imposed under s. 77.52
24 (2) (a) 7., 10., 11., and 20., if the seller and the purchaser of such services and property
25 or item are members of the same affiliated group under section 1504 of the Internal

1 Revenue Code and are eligible to file a single consolidated return for federal income
2 tax purposes. For purposes of this subsection, if a seller purchases a taxable service,
3 item or property under s. 77.52 (1) (b) or (c), or tangible personal property, as
4 described in the subsection, that is subsequently sold to a member of the seller's
5 affiliated group and the sale is exempt under this subsection from the taxes imposed
6 under this subchapter, the original purchase of the taxable service, item or property
7 under s. 77.52 (1) (b) or (c), or tangible personal property by the seller is not
8 considered a sale for resale or exempt under this subsection.

9 **SECTION 2414.** 77.54 (50) of the statutes is created to read:

10 77.54 (50) The sales price from the sale of and the storage, use, or other
11 consumption of specified digital goods or additional digital goods that are transferred
12 electronically to the purchaser, if the sale of and the storage, use, or other
13 consumption of such goods sold in a tangible form is exempt from taxation under this
14 subchapter.

15 **SECTION 2415.** 77.54 (51) of the statutes is created to read:

16 77.54 (51) The sales price from the sales of and the storage, use, or other
17 consumption of products sold in a transaction that would be a bundled transaction,
18 except that it contains taxable and nontaxable products as described in s. 77.51 (1f)
19 (d), and except that the first person combining the products shall pay the tax imposed
20 under this subchapter on the person's purchase price of the taxable items.

21 **SECTION 2416.** 77.54 (52) of the statutes is created to read:

22 77.54 (52) The sales price from the sales of and the storage, use, or other
23 consumption of products sold in a transaction that would be a bundled transaction,
24 except that the transaction meets the conditions described in s. 77.51 (1f) (e).

25 **SECTION 2417.** 77.54 (53) of the statutes is created to read:

1 77.54 (53) (a) In this subsection:

2 1. "Animals" include bacteria, viruses, and other microorganisms.

3 2. "Manufacturing" has the meaning given in sub. (6m).

4 3. "Qualified research" means qualified research as defined under section 41
5 (d) (1) of the Internal Revenue Code, except that research conducted by a public or
6 private institution of higher education or by a governmental unit is "qualified
7 research" if applying the research is intended to be useful in developing a new or
8 improved product or service and the research satisfies section 41 (d) (1) (B) (i) and
9 (C) of the Internal Revenue Code.

10 (b) The gross receipts from the sale of and the storage, use, or other
11 consumption of:

12 1. Machines and specific processing equipment, including accessories,
13 attachments, and parts for the machines or equipment, that are used exclusively and
14 directly in raising animals that are sold primarily to a biotechnology business, a
15 public or private institution of higher education, or a governmental unit for exclusive
16 and direct use by any such entity in qualified research or manufacturing.

17 2. The items listed in sub. (3m) (a) to (m), medicines, semen for artificial
18 insemination, fuel, and electricity that are used exclusively and directly in raising
19 animals that are sold primarily to a biotechnology business, a public or private
20 institution of higher education, or a governmental unit for exclusive and direct use
21 by any such entity in qualified research or manufacturing. Subsection (30) (c), as it
22 applies to the sale of fuel and electricity under sub. (30), applies to the sale of fuel and
23 electricity under this subdivision.

24 3. Machines and specific processing equipment, including accessories,
25 attachments, and parts for the machines or equipment, that are sold to a

PS - should be a 2 speed

1 biotechnology business and used exclusively and directly in qualified research in
2 biotechnology.

3 4. Tangible personal property that is sold to a biotechnology business, if the
4 property is consumed or destroyed or loses its identity while being used exclusively
5 and directly in qualified research in biotechnology. Subsection (30) (c), as it applies
6 to the sale of fuel and electricity under sub. (30), applies to the sale of fuel and
7 electricity under this subdivision.

8 5. Animals that are sold to a biotechnology business and used exclusively and
9 directly in qualified research in biotechnology.

10 (c) A person who claims an exemption under par. (b) 1. and 2. shall obtain
11 written documentation from the person's customers related to each customer's use
12 of animals, including the percentage of animals sold to the customer that are used
13 exclusively and directly in qualified research.

14 (d) The department shall publish on the department's Internet site a list of all
15 biotechnology businesses certified by the department.

16 **SECTION 2418.** 77.54 (53) (b) (intro.) of the statutes, as created by 2007
17 Wisconsin Act (this act), is repealed and recreated to read:

18 77.54 **(53)** (b) (intro.) The sales price from the sale of and the storage, use, or
19 other consumption of:

20 **SECTION 2418m.** 77.54 (53) (b) 2. of the statutes, as created by 2007 Wisconsin
21 Act (this act), is repealed and recreated to read:

22 77.54 **(53)** (b) 2. The items listed in sub. (3m) (a) to (m), drugs, semen for
23 artificial insemination, fuel, and electricity that are used exclusively and directly in
24 raising animals that are sold primarily to a biotechnology business, a public or

1 private institution of higher education, or a governmental unit for exclusive and
2 direct use by any such entity in qualified research or manufacturing.

3 **SECTION 2418m.** 77.54 (54) of the statutes is created to read:

4 77.54 (54) The gross receipts from the sale of and the storage, use, or other
5 consumption of tangible personal property and taxable services that are sold by a
6 home exchange service that receives moneys from the appropriation account under
7 s. 20.485 (1) (g) and is operated by the department of veterans affairs.

8 **SECTION 2419.** 77.54 (54) of the statutes, as created by 2007 Wisconsin Act
9 (this act), is repealed and recreated to read:

10 77.54 (54) The sales price from the sale of and the storage, use, or other
11 consumption of tangible personal property and taxable services that are sold by a
12 home exchange service that receives moneys from the appropriation account under
13 s. 20.485 (1) (g) and is operated by the department of veterans affairs.

14 **SECTION 2420.** 77.55 (1) (intro.) of the statutes is amended to read:

15 77.55 (1) (intro.) There ~~are~~ is exempted from the computation of the amount
16 of the sales tax the ~~gross receipts~~ sales price from the sale of any tangible personal
17 property, ~~items or property under s. 77.52 (1) (b) or (c),~~ or services to:

18 **SECTION 2421.** 77.55 (2) of the statutes is amended to read:

19 77.55 (2) There ~~are~~ is exempted from the computation of the amount of the sales
20 tax the ~~gross receipts~~ sales price from sales of tangible personal property, and items
21 and property under s. 77.52 (1) (b) and (c), to a common or contract carrier, shipped
22 by the seller via the purchasing carrier under a bill of lading whether the freight is
23 paid in advance, or the shipment is made freight charges collect, to a point outside
24 this state and the property or item is actually transported to the out-of-state
25 destination for use by the carrier in the conduct of its business as a carrier.

1 **SECTION 2422.** 77.55 (2m) of the statutes is amended to read:

2 77.55 (2m) There ~~are~~ is exempted from the computation of the amount of sales
3 tax the ~~gross receipts~~ sales price from sales of railroad crossties to a common or
4 contract carrier, shipped wholly or in part by way of the purchasing carrier under a
5 bill of lading, whether the freight is paid in advance or the shipment is made freight
6 charges collect, to a point outside this state if the property is transported to the
7 out-of-state destination for use by the carrier in the conduct of its business as a
8 carrier. Interruption of the shipment for storage, drying, processing or creosoting of
9 the railroad crossties in this state does not invalidate the exemption under this
10 subsection.

11 **SECTION 2423.** 77.55 (3) of the statutes is amended to read:

12 77.55 (3) There ~~are~~ is exempted from the computation of the amount of the sales
13 tax the ~~gross receipts~~ sales price from sales of tangible personal property, and items
14 and property under s. 77.52 (1) (b) and (c), purchased for use solely outside this state
15 and delivered to a forwarding agent, export packer, or other person engaged in the
16 business of preparing goods for export or arranging for their exportation, and
17 actually delivered to a port outside the continental limits of the United States prior
18 to making any use thereof.

19 **SECTION 2424.** 77.56 (1) of the statutes is amended to read:

20 77.56 (1) The storage, use or other consumption in this state of property,
21 including items and property under s. 77.52 (1) (b) and (c), the ~~gross receipts~~ sales
22 price from the sale of which ~~are~~ is reported to the department in the measure of the
23 sales tax, is exempted from the use tax.

24 **SECTION 2425.** 77.57 of the statutes is amended to read:

1 **77.57 Liability of purchaser.** If a purchaser certifies in writing to a seller
2 that the property, items or property under s. 77.52 (1) (b) or (c), specified digital goods,
3 or additional digital goods purchased will be used in a manner or for a purpose
4 entitling the seller to regard the ~~gross receipts~~ sales price from the sale as exempted
5 by this subchapter from the computation of the amount of the sales tax and uses the
6 property, items or property under s. 77.52 (1) (b) or (c), specified digital goods, or
7 additional digital goods in some other manner or for some other purpose, the
8 purchaser is liable for payment of the sales tax. The tax shall be measured by the
9 sales price of the property, items or property under s. 77.52 (1) (b) or (c), specified
10 digital goods, or additional digital goods to the purchaser, ~~but if the taxable use first~~
11 ~~occurs more than 6 months after the sale to the purchaser, the purchaser may use~~
12 ~~as the measure of the tax either that sales price or the fair market value of the~~
13 ~~property at the time the taxable use first occurs.~~

14 **SECTION 2426.** 77.58 (3) (a) of the statutes is amended to read:

15 77.58 (3) (a) For purposes of the sales tax a return shall be filed by every seller.
16 For purposes of the use tax a return shall be filed by every retailer engaged in
17 business in this state and by every person purchasing tangible personal property,
18 items or property under s. 77.52 (1) (b) or (c), specified digital goods, additional digital
19 goods, or services, the storage, use, or other consumption of which is subject to the
20 use tax, who has not paid the use tax due to a retailer required to collect the tax. If
21 a qualified subchapter S subsidiary is not regarded as a separate entity under ch. 71,
22 the owner of that subsidiary shall include the information for that subsidiary on the
23 owner's return. Returns shall be signed by the person required to file the return or
24 by a duly authorized agent but need not be verified by oath. If a single-owner entity

1 is disregarded as a separate entity under ch. 71, the owner shall include the
2 information from the entity on the owner's return.

3 **SECTION 2427.** 77.58 (3) (b) of the statutes is amended to read:

4 77.58 (3) (b) ~~For purposes of the sales tax the return shall show the gross~~
5 ~~receipts of the seller during the preceding reporting period. For purposes of the use~~
6 ~~tax, in case of a return filed by a retailer, the return shall show the total sales price~~
7 ~~of the property or taxable services sold, the storage, use or consumption of which~~
8 ~~became subject to the use tax during the preceding reporting period. In case of a sales~~
9 ~~or use tax return filed by a purchaser, the return shall show the total sales price of~~
10 ~~the property and taxable services purchased, the storage, use or consumption of~~
11 ~~which became subject to the use tax during the preceding reporting period. The~~
12 ~~return shall also show the amount of the taxes for the period covered by the return~~
13 ~~and such other information as the department deems necessary for the proper~~
14 ~~administration of this subchapter.~~

15 **SECTION 2428.** 77.58 (6) of the statutes is amended to read:

16 77.58 (6) For the purposes of the sales tax gross receipts, the sales price from
17 rentals or leases of tangible personal property, items or property under s. 77.52 (1)
18 (b) or (c), specified digital goods, or additional digital goods shall be reported and the
19 tax paid in accordance with such rules as the department prescribes.

20 **SECTION 2429.** 77.58 (6m) of the statutes is created to read:

21 77.58 (6m) (a) The department may, in cases where it is satisfied that an undue
22 hardship would otherwise result, permit the reporting of a sales price or purchase
23 price on some basis other than the accrual basis.

24 (b) The entire sales price of credit transactions shall be reported in the period
25 in which the sale is made without reduction in the amount of tax payable by the

1 retailer by reason of the retailer's transfer at a discount of any open account, note,
2 conditional sales contract, lease contract, or other evidence of indebtedness.

3 **SECTION 2430.** 77.58 (9) of the statutes is created to read:

4 77.58 (9) The department may require a filing fee for sales tax returns that are
5 filed on paper.

6 **SECTION 2431.** 77.58 (9a) of the statutes is created to read:

7 77.58 (9a) In addition to filing a return as provided in this section, a person
8 described under s. 77.524 (3), (4), or (5) shall provide to the department any
9 information that the department considers necessary for the administration of this
10 subchapter, in the manner prescribed by the department, except that the
11 department may not require that the person provide such information to the
12 department more than once every 180 days.

13 **SECTION 2432.** 77.585 of the statutes is created to read:

14 **77.585 Return adjustments.** (1) (a) In this subsection, "bad debt" means the
15 portion of the sales price or purchase price that the seller has reported as taxable
16 under this subchapter and that the seller may claim as a deduction under section 166
17 of the Internal Revenue Code. "Bad debt" does not include financing charges or
18 interest, sales or use taxes imposed on the sales price or purchase price, uncollectible
19 amounts on property, items or property under s. 77.52 (1) (b) or (c), specified digital
20 goods, or additional digital goods that remain in the seller's possession until the full
21 sales price or purchase price is paid, expenses incurred in attempting to collect any
22 debt, debts sold or assigned to 3rd parties for collection, and repossessed property.

23 (b) A seller may claim as a deduction on a return under s. 77.58 the amount of
24 any bad debt that the seller writes off as uncollectible in the seller's books and records
25 and that is eligible to be deducted as a bad debt for federal income tax purposes,

1 regardless of whether the seller is required to file a federal income tax return. A
2 seller who claims a deduction under this paragraph shall claim the deduction on the
3 return under s. 77.58 that is submitted for the period in which the seller writes off
4 the amount of the deduction as uncollectible in the seller's books and records and in
5 which such amount is eligible to be deducted as bad debt for federal income tax
6 purposes. If the seller subsequently collects in whole or in part any bad debt for
7 which a deduction is claimed under this paragraph, the seller shall include the
8 amount collected in the return filed for the period in which the amount is collected
9 and shall pay the tax with the return.

10 (c) For purposes of computing a bad debt deduction or reporting a payment
11 received on a previously claimed bad debt, any payment made on a debt or on an
12 account is applied first to the price of the property, items or property under s. 77.52
13 (1) (b) or (c), specified digital goods, additional digital goods, or service sold, and the
14 proportionate share of the sales tax on ~~that~~ ^{the} property, items or property under s. 77.52
15 (1) (b) or (c), specified digital goods, additional digital goods, or service, and then to
16 interest, service charges, and other charges related to the sale.

17 (d) A seller may obtain a refund of the tax collected on any bad debt amount
18 deducted under par. (b) that exceeds the amount of the seller's taxable sales as
19 provided under s. 77.59 (4), except that the period for making a claim as determined
20 under s. 77.59 (4) begins on the date on which the return on which the bad debt could
21 be claimed would have been required to be submitted to the department under s.
22 77.58.

23 (e) If a seller is using a certified service provider, the certified service provider
24 may claim a bad debt deduction under this subsection on the seller's behalf if the
25 seller has not claimed and will not claim the same deduction. A certified service

1 provider who receives a bad debt deduction under this subsection shall credit that
2 deduction to the seller and a certified service provider who receives a refund under
3 this subsection shall submit that refund to the seller.

4 (f) If a bad debt relates to the retail sales of tangible personal property, items
5 or property under s. 77.52 (1) (b) or (c), specified digital goods, additional digital
6 goods, or taxable services that occurred in this state and in one or more other states,
7 as determined under s. 77.522, the total amount of such bad debt shall be
8 apportioned among the states in which the underlying sales occurred in a manner
9 prescribed by the department to arrive at the amount of the deduction under par. (b).

10 (2) If a lessor of tangible personal property, items or property under s. 77.52
11 (1) (b) or (c), specified digital goods, or additional digital goods has reimbursed the
12 vendor for the sales tax on the sale of the property, items, or goods by the vendor to
13 the lessor, the tax due from the lessor on the rental receipts may be offset by a credit
14 equal to the tax otherwise due on the rental receipts from the property, items, or
15 goods for the reporting period. The credit shall expire when the cumulative rental
16 receipts equal the sales price upon which the vendor paid sales taxes to this state.

17 (3) If a purchaser of tangible personal property, items or property under s.
18 77.52 (1) (b) or (c), specified digital goods, or additional digital goods has reimbursed
19 the vendor of the property, items, or goods for the sales tax on the sale and
20 subsequently, before making any use of the property, items, or goods other than
21 retention, demonstration, or display while holding it for sale or rental, makes a
22 taxable sale of the property, items, or goods, the tax due on the taxable sale may be
23 offset by the tax reimbursed.

24 (4) A seller may claim a deduction on any part of the sales price or purchase
25 price that the seller refunds in cash or credit as a result of returned property, items

1 or property under s. 77.52 (1) (b) or (c), specified digital goods, or additional digital
2 goods or adjustments in the sales price or purchase price after the sale has been
3 completed, if the seller has included the refunded price in a prior return made by the
4 seller and has paid the tax on such price, and if the seller has returned to the
5 purchaser in cash or in credit all tax previously paid by the purchaser on the amount
6 of the refund at the time of the purchase. A deduction under this subsection shall
7 be claimed on the return for the period in which the refund is paid.

8 (5) No reduction in the amount of tax payable by the retailer is allowable in the
9 event property, items or property under s. 77.52 (1) (b) or (c), specified digital goods,
10 or additional digital goods sold on credit are repossessed except where the entire
11 consideration paid by the purchaser is refunded to the purchaser or where a credit
12 for a worthless account is allowable under sub. (1).

13 (6) A purchaser who is subject to the use tax on the storage, use, or other
14 consumption of fuel may claim a deduction from the purchase price that is subject
15 to the use tax for fuel taxes refunded by this state or the United States to the
16 purchaser that is included in the purchase price of the fuel.

17 (7) For sales tax purposes, if a retailer establishes to the department's
18 satisfaction that the sales tax has been added to the total amount of the sales price
19 and has not been absorbed by the retailer, the total amount of the sales price shall
20 be the amount received exclusive of the sales tax imposed.

21 (8) A sale or purchase involving transfer of ownership of property, items or
22 property under s. 77.52 (1) (b) or (c), specified digital goods, or additional digital
23 goods is completed at the time when possession is transferred by the seller or the
24 seller's agent to the purchaser or the purchaser's agent, except that for purposes of
25 sub. (1) a common carrier or the U.S. postal service shall be considered the agent of

1 the seller, regardless of any f.o.b. point and regardless of the method by which freight
2 or postage is paid.

3 **SECTION 2433.** 77.59 (2m) of the statutes is created to read:

4 77.59 (2m) The department may audit, or may authorize others to audit, sellers
5 and certified service providers who are registered with the department pursuant to
6 the agreement, as defined in s. 77.65 (2) (a).

7 **SECTION 2434.** 77.59 (5m) of the statutes is amended to read:

8 77.59 (5m) A seller who receives a refund under sub. (4) (a) or (b) of taxes that
9 the seller has collected from buyers, who collects amounts as taxes erroneously from
10 buyers, but who does not remit such amounts to the state, or who is entitled to a
11 refund under sub. (4) (a) or (b) that is offset under sub. (5), shall submit the taxes and
12 related interest to the buyers from whom the taxes were collected, or to the
13 department if the seller cannot locate the buyers, within 90 days after the date of the
14 refund, after the date of the offset, or after discovering that the seller has collected
15 taxes erroneously from the buyers. If the seller does not submit the taxes and related
16 interest to the department or the buyers within that period, the seller shall submit
17 to the department any part of a refund or taxes that the seller does not submit to a
18 buyer or to the department along with a penalty of 25% of the amount not submitted
19 or, in the case of fraud, a penalty equal to the amount not submitted. A person who
20 collects amounts as taxes erroneously from buyers for a real property construction
21 activity or nontaxable service may reduce the taxes and interest that he or she is
22 required to submit to the buyer or to the department under this subsection for that
23 activity or service by the amount of tax and interest subsequently due and paid on
24 the sale of or the storage, use, or other consumption of tangible personal property,
25 items or property under s. 77.52 (1) (b) or (c), specified digital goods, or additional

1 digital goods that ~~is~~ are used by the person in that activity or service and transferred
2 to the buyer.

3 **SECTION 2435.** 77.59 (7) of the statutes is amended to read:

4 77.59 (7) If the department believes that the collection of any tax imposed by
5 this subchapter will be jeopardized by delay, it shall notify the person determined to
6 owe the tax of its intention to proceed under s. 71.91 (5) for collection of the amount
7 determined to be owing, including penalties and interest. Such notice shall be by
8 certified or registered mail or by personal service and the warrant of the department
9 shall not issue if the person, within 10 days after such notice furnishes a bond in such
10 amount not exceeding double the amount determined to be owing and with such
11 sureties as the department approves, conditioned upon the payment of so much of
12 the taxes, interest, and penalties as shall finally be determined to be due. Nothing
13 in this subsection shall affect the review of determinations of tax as provided in this
14 subchapter and any amounts collected under this subsection shall be deposited with
15 the ~~secretary of administration~~ department and disbursed after final determination
16 of the taxes as are amounts deposited under ss. 71.89 (1) and 71.90 (2).

17 **SECTION 2436.** 77.59 (9) of the statutes is amended to read:

18 77.59 (9) If any person fails to file a return, the department shall make an
19 estimate of the amount of the ~~gross receipts~~ sales price of the person ~~person's sales~~,
20 or, as the case may be, of the amount of the total sales purchase price of tangible
21 personal property, items or property under s. 77.52 (1) (b) or (c), specified digital
22 goods, additional digital goods, or taxable service sold or purchased by the person,
23 the sale by or the storage, use, or other consumption of which in this state is subject
24 to sales or use tax. The estimate shall be made for the period in respect to which the
25 person failed to make a return and shall be based upon any information which is in

1 the department's possession or may come into its possession. Upon the basis of this
2 estimate the department shall compute and determine the amount required to be
3 paid to the state, adding to the sum thus arrived at a penalty equal to 25% thereof.
4 One or more such determinations may be made for one or for more than one period.
5 When a business is discontinued a determination may be made at any time
6 thereafter, within the periods specified in sub. (3), as to liability arising out of that
7 business.

8 **SECTION 2437.** 77.59 (9n) of the statutes is created to read:

9 77.59 (9n) (a) Notwithstanding s. 73.03 (47), no seller or certified service
10 provider is liable for tax, interest, or penalties imposed on a transaction under this
11 subchapter in the circumstances covered under sections 306, 328, and 502 of the
12 agreement, as defined in s. 77.65 (2) (a).

13 (b) A purchaser is not liable for the tax, interest, or penalties imposed on a
14 transaction under this subchapter in the circumstances covered by section 331 of the
15 agreement, as defined in s. 77.65 (2) (a).

16 **SECTION 2438.** 77.59 (9p) (b) of the statutes is created to read:

17 77.59 (9p) (b) If a customer purchases a service that is not subject to 4 USC 116
18 to 126, as amended by P.L. 106-252, or tangible personal property, items or property
19 under s. 77.52 (1) (b) or (c), specified digital goods, or additional digital goods, and
20 if the customer believes that the amount of the tax assessed for the sale of the service,
21 property, items, or goods under this subchapter is erroneous, the customer may
22 request that the seller correct the alleged error by sending a written notice to the
23 seller. The notice shall include a description of the alleged error and any other
24 information that the seller reasonably requires to process the request. Within 60
25 days from the date that a seller receives a request under this paragraph, the seller

1 shall review its records to determine the validity of the customer's claim. If the
2 review indicates that there is no error as alleged, the seller shall explain the findings
3 of the review in writing to the customer. If the review indicates that there is an error
4 as alleged, the seller shall correct the error and shall refund the amount of any tax
5 collected erroneously, along with the related interest, as a result of the error from the
6 customer, consistent with s. 77.59 (4). A customer may take no other action against
7 the seller, or commence any action against the seller, to correct an alleged error in
8 the amount of the tax assessed under this subchapter on a service that is not subject
9 to 4 USC 116 to 126, as amended by P.L. 106-252, or tangible personal property, items
10 or property under s. 77.52 (1) (b) or (c), specified digital goods, or additional digital
11 goods unless the customer has exhausted his or her remedies under this paragraph.

12 **SECTION 2439.** 77.59 (9r) of the statutes is created to read:

13 77.59 (9r) With regard to a purchaser's request for a refund under this section,
14 a seller is presumed to have reasonable business practices if the seller uses a certified
15 service provider, a certified automated system, as defined in s. 77.524 (1) (am), or a
16 proprietary system certified by the department to collect the taxes imposed under
17 this subchapter and if the seller has remitted to the department all taxes collected
18 under this subchapter, less any deductions, credits, or allowances.

19 **SECTION 2440.** 77.60 (13) of the statutes is created to read:

20 77.60 (13) A person who uses any of the following documents in a manner that
21 is prohibited by or inconsistent with this subchapter, or provides incorrect
22 information to a seller or certified service provider related to the use of such
23 documents or regarding an exemption to the taxes imposed under this subchapter,
24 shall pay a penalty of \$250 for each invoice or bill of sale related to the prohibited or
25 inconsistent use or incorrect information:

1 (a) An exemption certificate described under ss. 77.52 (13) and 77.53 (10).

2 (b) A direct pay permit under s. 77.52 (17m).

3 (c) A direct mail form, as defined in s. 77.522 (1) (a) 1.

4 **SECTION 2441.** 77.61 (1) (b) of the statutes is amended to read:

5 77.61 (1) (b) In the case of ~~a motor vehicle~~ motor vehicles, boats, snowmobiles,
6 mobile homes not exceeding 45 feet in length, trailers, semitrailers, all-terrain
7 vehicles, or aircraft purchased from a ~~licensed Wisconsin motor vehicle dealer~~
8 ~~retailer~~, the registrant shall present proof that the tax has been paid to such dealer
9 retailer.

10 **SECTION 2442.** 77.61 (1) (c) of the statutes is amended to read:

11 77.61 (1) (c) In the case of motor vehicles, boats, snowmobiles, mobile homes
12 not exceeding 45 feet in length, trailers, semitrailers, all-terrain vehicles or aircraft
13 registered or titled, or required to be registered or titled, in this state purchased from
14 persons who are not ~~Wisconsin boat, trailer or semitrailer dealers, licensed~~
15 ~~Wisconsin aircraft, motor vehicle or mobile home dealers or registered Wisconsin~~
16 ~~snowmobile or all-terrain vehicle dealers~~ retailers, the purchaser shall file a sales
17 tax return and pay the tax prior to registering or titling the motor vehicle, boat,
18 snowmobile, mobile home not exceeding 45 feet in length, trailer, semitrailer,
19 all-terrain vehicle or aircraft in this state.

20 **SECTION 2443.** 77.61 (2) of the statutes is renumbered 77.61 (2) (intro.) and
21 amended to read:

22 77.61 (2) (intro.) In order to protect the revenue of the state:

23 (a) Except as provided in par. (b), the department may require any person who
24 is or will be liable to it for the tax imposed by this subchapter to place with it, before
25 or after a permit is issued, the security, not in excess of \$15,000, that the department

determines. In determining the amount of security to require under this subsection, the department may consider the person's payment of other taxes administered by the department and any other relevant facts. If any taxpayer fails or refuses to place that security, the department may refuse or revoke the permit. If any taxpayer is delinquent in the payment of the taxes imposed by this subchapter, the department may, upon 10 days' notice, recover the taxes, interest, costs and penalties from the security placed with the department by the taxpayer in the following order: costs, penalties, delinquent interest, delinquent tax. No interest may be paid or allowed by the state to any person for the deposit of security. Any security deposited under this subsection shall be returned to the taxpayer if the taxpayer has, for 24 consecutive months, complied with all the requirements of this subchapter.

SECTION 2444. 77.61 (2) (b) of the statutes is created to read:

77.61 (2) (b) A certified service provider who has contracted with a seller, and filed an application, to collect and remit sales and use taxes imposed under this subchapter on behalf of the seller shall submit a surety bond to the department to guarantee the payment of sales and use taxes, including any penalty and interest on such payment. The department shall approve the form and contents of a bond submitted under this paragraph and shall determine the amount of such bond. The surety bond shall be submitted to the department within 60 days after the date on which the department notifies the certified service provider that the certified service provider is registered to collect sales and use taxes imposed under this subchapter. If the department determines, with regards to any one certified service provider, that no bond is necessary to protect the tax revenues of this state, the secretary of revenue or the secretary's designee may waive the requirements under this paragraph with regard to that certified service provider. Any bond submitted under this paragraph

1 shall remain in force until the secretary of revenue or the secretary's designee
2 releases the liability under the bond.

3 **SECTION 2445.** 77.61 (3) of the statutes is repealed.

4 **SECTION 2446.** 77.61 (3m) of the statutes is created to read:

5 77.61 (3m) A retailer shall use a straight mathematical computation to
6 determine the amount of the tax that the retailer may collect from the retailer's
7 customers. The retailer shall calculate the tax amount by combining the applicable
8 tax rates under this subchapter and subch. V and multiplying the combined tax rate
9 by the sales price or purchase price of each item or invoice, as appropriate. The
10 retailer shall calculate the tax amount to the 3rd decimal place, disregard tax
11 amounts of less than 0.5 cent, and consider tax amounts of at least 0.5 cent but less
12 than 1 cent to be an additional cent. The use of a straight mathematical computation,
13 as provided in this subsection, shall not relieve the retailer from liability for payment
14 of the full amount of the tax levied under this subchapter.

15 **SECTION 2447.** 77.61 (4) (a) of the statutes is amended to read:

16 77.61 (4) (a) Every seller and retailer and every person storing, using or
17 otherwise consuming in this state tangible personal property, items or property
18 under s. 77.52 (1) (b) or (c), specified digital goods, additional digital goods, or taxable
19 services purchased from a retailer shall keep such records, receipts, invoices, and
20 other pertinent papers and records, including machine-readable records, in such
21 form as the department requires. The department may, after giving notice, require
22 any person to keep whatever records are needed for the department to compute the
23 sales or use taxes the person should pay. Thereafter, the department shall add to any
24 taxes assessed on the basis of information not contained in the records required a

1 penalty of 25% of the amount of the tax so assessed in addition to all other penalties
2 under this chapter.

3 **SECTION 2448.** 77.61 (4) (c) of the statutes is amended to read:

4 77.61 (4) (c) For reporting the sales tax and collecting and reporting the use tax
5 imposed on the retailer under s. 77.53 (3) and the accounting connected with it,
6 retailers, not including certified service providers that receive compensation under
7 s. 73.03 (61) (h), may deduct 0.5% of those taxes payable or \$10 for that reporting
8 period required under s. 77.58 (1), whichever is greater, but not more than the
9 amount of the sales taxes or use taxes that is payable under ss. 77.52 (1) and 77.53
10 (3) for that reporting period required under s. 77.58 (1), as administration expenses
11 if the payment of the taxes is not delinquent. For purposes of calculating the
12 retailer's discount under this paragraph, the taxes on retail sales reported by
13 retailers under subch. V, including taxes collected and remitted as required under
14 s. 77.785, shall be included if the payment of those taxes is not delinquent.

15 **SECTION 2449.** 77.61 (5) (b) 11. of the statutes is amended to read:

16 77.61 (5) (b) 11. The department of ~~workforce development~~ children and
17 families or a county child support agency under s. 59.53 (5) in response to a request
18 under s. 49.22 (2m).

19 **SECTION 2450.** 77.61 (5m) of the statutes is created to read:

20 77.61 (5m) (a) In this subsection, "personally identifiable information" means
21 any information that identifies a person.

22 (b) A certified service provider may use personally identifiable information as
23 necessary only for the administration of its system to perform a seller's sales and use
24 tax functions and shall provide consumers clear and conspicuous notice of its practice
25 regarding such information, including what information it collects, how it collects

1 the information, how it uses the information, how long, if at all, it retains the
2 information, and under what circumstances it discloses the information to states
3 participating in the agreement, as defined in 77.65 (2) (a).

4 (c) A certified service provider may collect, use, and retain personally
5 identifiable information only to verify exemption claims, to investigate fraud, and to
6 ensure its system's reliability.

7 (d) A certified service provider shall provide sufficient technical, physical, and
8 administrative safeguards to protect personally identifiable information from
9 unauthorized access and disclosure.

10 (e) For purposes of this subchapter, the state shall provide to consumers public
11 notice of the state's practices related to collecting, using, and retaining personally
12 identifiable information.

13 (f) The state shall not retain personally identifiable information obtained for
14 purposes of administering this subchapter unless the state is otherwise required to
15 retain the information by law or as provided under the agreement, as defined in s.
16 77.65 (2) (a).

17 (g) For purposes of this subchapter, the state shall provide an individual
18 reasonable access to that individual's personally identifiable information and the
19 right to correct any inaccurately recorded information.

20 (h) If any person, other than another state that is a signatory to the agreement,
21 as defined in s. 77.65 (2) (a), or a person authorized under state law to access the
22 information, requests access to an individual's personally identifiable information,
23 the state shall make a reasonable and timely effort to notify the individual of the
24 request.

25 **SECTION 2452m.** 77.61 (11) of the statutes is amended to read:

1 77.61 (11) Any city, village or town clerk or other official whose duty it is to issue
2 licenses or permits to engage in a business involving the sale at retail of tangible
3 personal property, items or property under s. 77.52 (1) (b) or (c), specified digital
4 goods, or additional digital goods subject to tax under this subchapter, or the
5 furnishing of services so subject to tax, shall, before issuing such license or permit,
6 require proof that the person to whom such license or permit is to be issued is the
7 holder of a seller's permit as required by this subchapter or has been informed by an
8 employee of the department that the department will issue a seller's permit to that
9 person.

10 **SECTION 2453.** 77.61 (16) of the statutes is created to read:

11 77.61 (16) Any person who remits taxes and files returns under this subchapter
12 may designate an agent, as defined in s. 77.524 (1) (ag), to remit such taxes and file
13 such returns with the department in a manner prescribed by the department.

14 **SECTION 2453m.** 77.61 (17) of the statutes is created to read:

15 77.61 (17) With regard to services subject to the tax under s. 77.52 (2) or the
16 lease, rental, or license of tangible personal property and property and items
17 specified under s. 77.52 (1) (b) to (d), an increase in the tax rate applies to the first
18 billing period beginning on or after the rate increase's effective date and a decrease
19 in the tax rate applies to bills that are rendered on or after the rate decrease's
20 effective date.

21 **SECTION 2454.** 77.63 of the statutes is repealed and recreated to read:

22 **77.63 Collection compensation.** The following persons may retain a portion
23 of sales and use taxes collected on retail sales under this subchapter and subch. V
24 in an amount determined by the department and by contracts that the department

1 enters into jointly with other states as a member state of the streamlined sales tax
2 governing board pursuant to the agreement, as defined in s. 77.65 (2) (a):

3 (1) A certified service provider.

4 (2) A seller that uses a certified automated system, as defined in s. 77.524 (1)
5 (am).

6 (3) A seller that sells tangible personal property, items or property under s.
7 77.52 (1) (b) or (c), specified digital goods, additional digital goods, or taxable services
8 in at least 5 states that are signatories to the agreement, as defined in s. 77.65 (2)
9 (a); that has total annual sales revenue of at least \$500,000,000; that has a
10 proprietary system that calculates the amount of tax owed to each taxing jurisdiction
11 in which the seller sells tangible personal property, items or property under s. 77.52
12 (1) (b) or (c), specified digital goods, additional digital goods, or taxable services; and
13 that has entered into a performance agreement with the states that are signatories
14 to the agreement, as defined in s. 77.65 (2) (a). For purposes of this subsection,
15 "seller" includes an affiliated group of sellers using the same proprietary system to
16 calculate the amount of tax owed in each taxing jurisdiction in which the sellers sell
17 tangible personal property, items or property under s. 77.52 (1) (b) or (c), specified
18 digital goods, additional digital goods, or taxable services.

19 **SECTION 2454m.** 77.65 (2) (a) of the statutes is amended to read:

20 77.65 (2) (a) "Agreement" means the streamlined sales and use tax agreement,
21 including amendments to the agreement.

22 **SECTION 2455.** 77.65 (2) (c) of the statutes is repealed.

23 **SECTION 2456.** 77.65 (2) (e) of the statutes is amended to read:

1 77.65 (2) (e) "Seller" means any person who sells, leases, or rents tangible
2 personal property, items or property under s. 77.52 (1) (b) or (c), specified digital
3 goods, additional digital goods, or services.

4 **SECTION 2457.** 77.65 (2) (f) of the statutes is amended to read:

5 77.65 (2) (f) "State" means any state of the United States ~~and~~, the District of
6 Columbia, and the Commonwealth of Puerto Rico.

7 **SECTION 2458.** 77.65 (4) (fm) of the statutes is created to read:

8 77.65 (4) (fm) Provide that a seller who registers with the central electronic
9 registration system under par. (f) may cancel the registration at any time, as
10 provided under uniform procedures adopted by the governing board of the states that
11 are signatories to the agreement, but is required to remit any Wisconsin taxes
12 collected pursuant to the agreement to the department.

13 **SECTION 2459.** 77.66 of the statutes is amended to read:

14 **77.66 Certification for collection of sales and use tax.** The secretary of
15 revenue shall determine and periodically certify to the secretary of administration
16 the names of persons, and affiliates, as defined in s. 16.70 (1b), of persons, who make
17 sales of tangible personal property, items and property under s. 77.52 (1) (b) and (c),
18 specified digital goods, additional digital goods, and taxable services that are subject
19 to the taxes imposed under this subchapter but who are not registered to collect and
20 remit such taxes to the department or, if registered, do not collect and remit such
21 taxes.

22 **SECTION 2460.** 77.67 of the statutes is created to read:

23 **77.67 Amnesty for new registrants.** (1) A seller is not liable for uncollected
24 and unpaid taxes, including penalties and interest, imposed under this subchapter

1 and subch. V on sales made to purchasers in this state before the seller registers
2 under par. (a), if all of the following apply:

3 (a) The seller registers with the department, in a manner that the department
4 prescribes, to collect and remit the taxes imposed under this subchapter and subch.
5 V on sales to purchasers in this state in accordance with the agreement, as defined
6 in s. 77.65 (2) (a).

7 (b) The seller registers under par. (a) no later than 365 days after the effective
8 date of this state's participation in the agreement under s. 77.65 (2) (a), as
9 determined by the department.

10 (c) The seller was not registered to collect and remit the taxes imposed under
11 this subchapter and subch. V during the 365 consecutive days immediately before
12 the effective date of this state's participation in the agreement under s. 77.65 (2) (a),
13 as determined by the department.

14 (d) The seller has not received a notice of the commencement of an audit from
15 the department or, if the seller has received a notice of the commencement of an audit
16 from the department, the audit has been fully resolved, including any related
17 administrative and judicial processes, at the time that the seller registers under par.
18 (a).

19 (e) The seller has not committed or been involved in a fraud or an intentional
20 misrepresentation of a material fact.

21 (f) The seller collects and remits the taxes imposed under this subchapter and
22 subch. V on sales to purchasers in this state for at least 3 consecutive years after the
23 date on which the seller's collection obligation begins

24 **(2)** Subsection (1) does not apply to taxes imposed under this subchapter and
25 subch. V that are due from the seller for purchases made by the seller.

1 **SECTION 2461.** 77.70 of the statutes is amended to read:

2 **77.70 Adoption by county ordinance.** Any county desiring to impose county
3 sales and use taxes under this subchapter may do so by the adoption of an ordinance,
4 stating its purpose and referring to this subchapter. The county sales and use taxes
5 may be imposed only for the purpose of directly reducing the property tax levy and
6 only in their entirety as provided in this subchapter. That ordinance shall be
7 effective on the first day of January, the first day of April, the first day of July or the
8 first day of October. A certified copy of that ordinance shall be delivered to the
9 secretary of revenue at least 120 days prior to its effective date. The repeal of any
10 such ordinance shall be effective on December 31. A certified copy of a repeal
11 ordinance shall be delivered to the secretary of revenue at least ~~60~~ 120 days before
12 the effective date of the repeal.

13 **SECTION 2462.** 77.705 of the statutes is amended to read:

14 **77.705 Adoption by resolution; baseball park district.** A local
15 professional baseball park district created under subch. III of ch. 229, by resolution
16 under s. 229.68 (15), may impose a sales tax and a use tax under this subchapter at
17 a rate of no more than 0.1% of the ~~gross receipts or sales price or purchase price.~~
18 Those taxes may be imposed only in their entirety. The resolution shall be effective
19 on the ~~first day of the first month~~ January 1, April 1, July 1, or October 1 that begins
20 at least ~~30~~ 120 days after the adoption of the resolution. Any moneys transferred
21 from the appropriation account under s. 20.566 (1) (gd) to the appropriation account
22 under s. 20.835 (4) (gb) shall be used exclusively to retire the district's debt.

23 **SECTION 2463.** 77.706 of the statutes is amended to read:

24 **77.706 Adoption by resolution; football stadium district.** A local
25 professional football stadium district created under subch. IV of ch. 229, by

1 resolution under s. 229.824 (15), may impose a sales tax and a use tax under this
2 subchapter at a rate of 0.5% of the ~~gross receipts or sales price or purchase price~~.
3 Those taxes may be imposed only in their entirety. The imposition of the taxes under
4 this section shall be effective on the first day of the first month January 1, April 1,
5 July 1, or October 1 that begins at least ~~30~~ 120 days after the certification of the
6 approval of the resolution by the electors in the district's jurisdiction under s. 229.824
7 (15). Any moneys transferred from the appropriation account under s. 20.566 (1) (ge)
8 to the appropriation account under s. 20.835 (4) (ge) shall be used exclusively to retire
9 the district's debt.

10 **SECTION 2464.** 77.707 (1) of the statutes is amended to read:

11 77.707 (1) Retailers and the department of revenue may not collect a tax under
12 s. 77.705 for any local professional baseball park district created under subch. III of
13 ch. 229 after the last day of the calendar quarter during that is at least 120 days from
14 the date on which the local professional baseball park district board makes a
15 certification to the department of revenue under s. 229.685 (2), except that the
16 department of revenue may collect from retailers taxes that accrued before the day
17 after the last day of that calendar quarter and fees, interest and penalties that relate
18 to those taxes.

19 **SECTION 2465.** 77.707 (2) of the statutes is amended to read:

20 77.707 (2) Retailers and the department of revenue may not collect a tax under
21 s. 77.706 for any local professional football stadium district created under subch. IV
22 of ch. 229 after the last day of the calendar quarter during that is at least 120 days
23 from the date on which the local professional football stadium district board makes
24 all of the certifications to the department of revenue under s. 229.825 (3), except that
25 the department of revenue may collect from retailers taxes that accrued before the

1 day after the last day of that calendar quarter and fees, interest and penalties that
2 relate to those taxes.

3 **SECTION 2466.** 77.71 (1) of the statutes is amended to read:

4 77.71 (1) For the privilege of selling, licensing, leasing or renting tangible
5 personal property, and the property and items specified under s. 77.52 (1) (b) to (d),
6 and for the privilege of selling, licensing, performing or furnishing services a sales
7 tax is imposed upon retailers at the rate of 0.5% in the case of a county tax or at the
8 rate under s. 77.705 or 77.706 in the case of a special district tax of the ~~gross receipts~~
9 sales price from the sale, licensing, lease or rental of tangible personal property, and
10 the property and items specified under s. 77.52 (1) (b) to (d), except property taxed
11 under sub. (4), sold, licensed, leased or rented at retail in the county or special district
12 or from selling, licensing, performing or furnishing services described under s. 77.52
13 (2) in the county or special district.

14 **SECTION 2467.** 77.71 (2) of the statutes is amended to read:

15 77.71 (2) An excise tax is imposed at the rate of 0.5% in the case of a county tax
16 or at the rate under s. 77.705 or 77.706 in the case of a special district tax of the sales
17 purchase price upon every person storing, using or otherwise consuming in the
18 county or special district tangible personal property, property and items specified
19 under s. 77.52 (1) (b) to (d), or services if the property, item, or service is subject to
20 the state use tax under s. 77.53, except that a receipt indicating that the tax under
21 sub. (1), (3) or (4) has been paid relieves the buyer of liability for the tax under this
22 subsection and except that if the buyer has paid a similar local tax in another state
23 on a purchase of the same property, item, or services that tax shall be credited against
24 the tax under this subsection and except that for motor vehicles that are used for a
25 purpose in addition to retention, demonstration or display while held for sale in the

1 regular course of business by a dealer the tax under this subsection is imposed not
2 on the sales purchase price but on the amount under s. 77.53 (1m).

3 **SECTION 2468.** 77.71 (3) of the statutes is amended to read:

4 77.71 (3) An excise tax is imposed upon a contractor engaged in construction
5 activities within the county or special district, at the rate of 0.5% in the case of a
6 county tax or at the rate under s. 77.705 or 77.706 in the case of a special district tax
7 of the sales purchase price of tangible personal property that is used in constructing,
8 altering, repairing or improving real property and that becomes a component part
9 of real property in that county or special district, except that if the contractor has
10 paid the sales tax of a county in the case of a county tax or of a special district in the
11 case of a special district tax in this state on that property, or has paid a similar local
12 sales tax in another state on a purchase of the same property, that tax shall be
13 credited against the tax under this subsection.

14 **SECTION 2469.** 77.71 (4) of the statutes is amended to read:

15 77.71 (4) An excise tax is imposed at the rate of 0.5% in the case of a county tax
16 or at the rate under s. 77.705 or 77.706 in the case of a special district tax of the sales
17 purchase price upon every person storing, using or otherwise consuming a motor
18 vehicle, boat, snowmobile, mobile home not exceeding 45 feet in length, trailer,
19 ~~semitrailer, all-terrain vehicle~~ or aircraft, if that property must be registered or
20 titled with this state and if that property is to be customarily kept in a county that
21 has in effect an ordinance under s. 77.70 or in a special district that has in effect a
22 resolution under s. 77.705 or 77.706, except that if the buyer has paid a similar local
23 sales tax in another state on a purchase of the same property that tax shall be
24 credited against the tax under this subsection.

25 **SECTION 2470.** 77.72 (title) of the statutes is repealed.